(b if so, whether Government have since reconsidered the matter in the context of such dumping and what decision has since been taken on the question of restoring the custom duty to the earlier level; and

(c) in what manner the cost of production of Caprolactum in Indian industries compare with that of the imported material at reduced custom ruty rates?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILISERS (SHRI EDUARDO FALEIRO): (a) to (c) The import duty on Caprolactum has been increased in the Union Budget 1993-94. As a result, cost of indigenous production is expected to compare favourably with the landed cost of imported Caprolactum.

2906. [Transferred to 24th March, 1993]

Corruption by the Executives of Public Sector Fertilizer Units

2907. SHRI SATISH PRADHAN: Will the PRIME MINISTER be pleased to state:

(a) whether Government have received CBI enquiry reports regarding malpractices and corruption by the top executives of public sector Fertilizer units;

(b) if so, the details of investigations probed in and findings of CBI and action taken thereon;

(c) whether it is a fact that all the top officials were reappointed to the same position in respective organisations without obtaining clearance from CBI and vigilance;

(d) whether one of the top executives of RCF cleared by CBI and appointed as the Chief Executive on approval by Appointment Committee was suspended again after a short-while; and

(e) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) The Government have received 4 CBI enquiry reports regrading malpractices and corruption by top Executives of public sector fertilizer units. The details of the cases, findings of CBI and action taken by the Government are as follows:—

(i) The case relating to payment of brokerage to a private party for deposit of Rs. 20 crores in the CANBANK Financial Services Limited: The allegation is that the Chairman and Managing Director, Rashtriya Chemicals and Fertilizers (RCF) conspired with certain officials of CANBANK Financial Services in respect of the fixed deposit of Rs. 20 crores and a brokerage of one per cent was allowed to a private party and thus he abused his official position and caused loss to the RCF. CBI recommended regular departmental action for major penalty against CMD, REC and also his suspension. Recommendations of the CBI are being examined by the Government in consultation with the Central Vigilance Commission (CVC).

(ii) The case relating to award of painting contract to a private firm: The allegation is that the CMD and some other officers of RCF, entered into criminal conspiracy with a private firm, with a view to favour the said firm in the matter of awarding painting contract for painting of plants and machinery of RCF. Instead of the prevailing practice of RCF to have the painting done with material supplied by RCF, in this case the private firm was allowed to use their own material which led to financial loss to RCF. CBI have recommended initiation of regular departmental action for major penalty

@Previously Unstarred Question No. 2335, transferred from 15th March, 1993.

against CMD RCF and 3 other officers of RCF involved and also their suspension. All these officers have been placed under suspension and the departmental enquiry against them is now in progress.

(iii) The case relating to purchase of substandard extruded packing material: The allegation is that the CMD, and some other officers of RCF entered into a criminal conspiracy with a private firm in the purchase of substandard extruded packing material at exorbitant rates from the firm, thus causing a loss to the tune of Rs. 3 crores to RCF. The CBI have recommended initiation of regular departmental action for major penalty against CMD RCF and four other officers of RCF and also their suspension. The report of the CBI is being examined by the Government in consultation with CVC.

(iv) The case relating to purchase of jute and HDPE bags through the Central Purchase Committee (CPC) at exorbitant rates involving CMD, RCF, Managing Director, National Fertilizers Limited (NFL) (Since retired) and Managing Director, Krishak Bharti Cooperative Limited (KRIBHCO) (since retired). The allegations are that the Members of the Central Purchase Committee were responsible for negligence in estimating the fixed factor rates and negotiating the price with the suppliers and also for fixing the freight charges towards higher side. The CBI have recommended initiation of regular departmental action for major penalty against CMD, RCF and another officer of RCF and such action as deemed fit against the then MD, NFL and the then MD, KRIBHCO. The report of the CBI was examined by the Departmental in consultation with the Central Vigilance Commission and further action is being taken.

(c) to (e) In the case relating to purchase of jute and HDPE has through CPC, the Government, following receipt of preliminary report of the CBI, placed CMD, RCF, MD, NFL, (since retired) and MD, KRIBHCO (since retired) under suspension. The suspension of all these three Chief executives were later revoked by the Government consequent on review undertaken. CMD, RCF has however been placed under suspension again by the Government in another case relating to award of contract for painting work of RCF. Regular departmental action for major penalty against CMD, RCF and other officers as recommended by CBI is now in progress in this case.

Appeal against Rule 30-A of IDPL CDA Rules

2908. SHRI MD. SALIM: Will the PRIME MINSTER be pleased to refer to the answer to Unstarred Question 1148 given in the Rajya Sabha on 7th May, 1992 and state:

(a) whether the affected employees have made an appeal to the authorities for the adverse orders, when there is no mention of appeal on it;

(b) if so, the reasons for not mentioning appeal in rule 30-A, when an appeal is mentioned and provided for allot her rules including dismissal and removal from services, in the IDPL|CDA Rues;

(c) whether the affected empolyees (under 30-A) were informed about it or not (as per (b) above) after receiving their appeal, together with resons therefor;